

# 5 Things for Health Systems in Potential Participating States to Know About the AHEAD Program

On September 5, 2023, CMS released a new, voluntary state total cost of care model called the States Advancing All-Payer Health Equity Approaches and Development (AHEAD) Model. CMS plans to collaborate with states to increase investment in primary care, improve overall population health, advance health equity, and curb the growth of health care costs. States will apply to CMS to be accepted into AHEAD and engage state health agencies, including state Medicaid agencies, as critical stakeholders. Up to eight states or sub-regions of states will be accepted.

The AHEAD model builds off demonstrations in Vermont, Maryland, and Pennsylvania and encourages a state-level, multi-sector approach to care that both holds states accountable to state or region-specific Medicare and all-payer cost growth targets while increasing investment in primary care. The model is designed to engage all payers in the state over time, including Medicare, Medicaid, commercial insurers, and self-insured employers. For many health systems thinking about opting into the AHEAD model, it is a good time to begin to assess their capabilities, resources (financial and workforce), and needs of the communities they serve.

Additionally, here are 5 key considerations that health systems in potential participating states should be aware of:

## 1. Model and Application Timeline and Federal Award Amounts

States or sub-regions of states, including Washington, DC, not already selected for Making Care Primary (MCP), are eligible to apply for AHEAD. The AHEAD model is scheduled to operate for a total of 11 years, from 2024 - 2034. States applying to AHEAD will be required to select one of three cohorts depending on readiness to implement the model:

Cohort	Readiness	Application Due Date	Pre-Implementation Period	Performance Year Term
1	Ready to apply and implement ASAP	LOI: 2/5/24 Application: 3/18/24	Jul 2024 - Dec 2025	Jan 2026 - Dec 2034
2	Ready to apply but need more time to implement	LOI: 2/5/24 Application: 3/18/24	Jul 2024 - Dec 2026	Jan 2027 - Dec 2034
3	Need additional time to apply	LOI: 7/26/24 Application: 8/12/24	Jan 2025 - Dec 2026	Jan 2027 - Dec 2034

\*LOI: Letter of Intent to Apply | Application: Cooperative Agreement Application

\*\* Approximately 90 days from application deadline to notice of award issuance

CMS anticipates awarding up to eight states an award of up to \$12 million each.

## 2. Primary Component #1 of AHEAD – Statewide Accountability Targets

- Cost growth targets for Medicare FFS and other line of business costs and quality will be set collaboratively between payers, providers and community.
- Participating states will be required to collect and report statewide quality, health equity, and all-payer TCOC and primary care investment performance data.
- States will be required to select quality and population health measures from a CMS provided set and to set specific targets for each selected measure, with CMS approval, that they will be accountable for meeting.
- Hospitals will remain accountable for performance in CMS' Hospital-Acquired Condition Reduction Program (HACRP), Readmissions Reduction Program (HRRP), Inpatient Quality Reporting Program (IQR), Hospital Outpatient Quality Reporting Program (OQR), and Hospital Value-Based Purchasing Program (VBP).



**Steven Hefter**  
Manager  
COPE Health Solutions



**Allen Miller**  
Principal & CEO  
COPE Health Solutions



**Patrick Pilch**  
Senior Managing  
Partner  
Ankura